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ROUTING AND RECORD SHEET

SUBJECT: (Optional)
DCI's Annual Report to Congress

	EXTENSION	NO.
Chief, Information and Management Support Staff, OL		OL 4296-83
		DATE 12 December 1

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. Chief, NBPO/OL				6 FILE 14 DEC 1983 Attached is the consolidated package, prepared from your input, that went to the DDA for the DCI's Annual Report to Congress.
2. Chief, P&TS/OL				
3. Chief, PMS/OL				
4. Chief, SS/OL				
5. Chief, LSD/OL				
6. Chief, P&PD/OL				
7. Chief, PD/OL				
8. Chief, RECD/OL				
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9 DEC 1983

MEMORANDUM FOR: Deputy Director for Administration

FROM: Daniel C. King
Director of Logistics

SUBJECT: DCI's Annual Report to Congress

REFERENCE: Memorandum for D/L fm DDA, dtd 14 Nov 83, Same Subject (DDA 83-4807/1)

In response to the referent, the Office of Logistics' input for the DCI's Annual Report to Congress is attached hereto.

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for Daniel C. King

Attachments:
A. Report
B. Reference

Distribution:
Orig. - Addressee (w/atts)
1 - OL Files (wo/atts)
1 - D/L Chrono (wo/atts)
1 - OL/IMSS Official (w/atts)
1 - OL/IMSS Chrono (wo/atts)

OL/IMSS: [redacted] **(9 December 1983)** 25X1

OL 4296-83

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from attachments.

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Office of Logistics

Submission to the DCI's 1983 Annual Report to Congress

1983 was a successful year in the Office of Logistics's (OL's) continuing efforts to improve its support of and services to the Agency. Accomplishments focused on three primary areas: (1) the recapitalization program, aimed at improving existing facilities; (2) consolidation efforts, including plans for construction of a new building on the Headquarters compound; and (3) increased responsiveness to all Agency components through use of automation and the resulting managerial/ organizational realignments.

Logistics support of covert and paramilitary actions involved the provision by OL of engineering personnel as well as the procurement and distribution of significant quantities of materiel. Those requirements, plus sizeable increases in the demand for printing and photography services, presented a number of new challenges. Nonetheless, OL met those challenges, at the same time increasing its responsiveness in other logistics areas.

I. Rebuilding Capabilities

A. Space Allocation and New Construction

Agency growth over the past several years, as part of the rebuilding of the Intelligence Community, had resulted in the crowding of personnel, the proliferation of leased space, and the further decentralization of Agency Headquarters activities. Decentralization, in turn, had resulted in decreases in security of Agency operations and overall responsiveness; and in increased costs as well as increases in the complexity of management communications and in the coordination of collection and production activities. Those factors continued to drain Agency resources and hamper operations. Thus, a project was undertaken in 1981 to construct a 1.1 million-square-foot office building, with associated parking and site improvements, which will consolidate most Agency activities now located throughout the Washington metropolitan area. As a part of that project, OL evaluated building alternatives, submitted studies justifying this new construction to the Office of Management and Budget (OMB), received appropriate approvals from the responsible government agencies and officials, selected a construction site, completed preliminary cost analyses, and conducted a nationwide

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SOURCES OR METHODS INVOLVED

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solicitation to select an architectural-engineering firm for construction design. The most recent activities were the completion of the Schematic and Preliminary Designs, with National Capital Planning Commission approval of the Preliminary Design; the signing of an agreement with the Virginia Department of Highways and Transportation to design and construct needed highway improvements; and the formation of a citizens' committee for advice on road improvements. Provision of construction funds in 1983 will allow for a construction start in the spring of 1984 and project completion in August 1987.

As an interim measure and as a means of accommodating a sizable increase in Agency personnel during the construction of the new building, OL has concentrated on improving the use of existing Agency space. This is being accomplished by rearranging areas so that space can be reallocated and/or density increased to accommodate more people. Other efforts have centered on the relocation of office components to provide room for expansion, accommodate organizational changes, and enhance efficiency by bringing split organizations together into contiguous space. Additional options for better utilization of space have been approved, and as a result, over 200,000 square feet of space in Headquarters Building and 70,000 square feet in other Agency buildings will be redesigned and renovated. This will involve over 45 separate moves during the next 12 to 18 months.

B. Equipment Installation and Retrofit

Attendant to these relocations, and to the expansion of the Agency have been far-reaching programs involving the retrofit or installation of new equipment designed to facilitate information handling. To offset shortfalls in OL's in-house capabilities, and to be responsive to all of the Agency's requirements, OL used a private contractor mobile design and construction team to implement the CRAFT installation program for [redacted] A second 15-man supplemental private contractor team was also used to accomplish the following: 25X1

1. Implement the Metropolitan Washington Area Speedwire Terminal and Word Processor System Installation Program.

2. Implement quick reactive and preactive response to heating, ventilating, and air conditioning (HVAC) and power requirements in Headquarters and Washington area buildings.

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3. Implement design for [redacted] and resulting backfill space in Headquarters and external buildings. 25X1

4. Provide quick-reaction technical and engineering support to [redacted] engineering projects. 25X1

C. Personnel

[redacted] 25X1

In other OL areas, six new recruits and two internal employees entered on duty under the Supply Officer Trainee (SOT) program. This program is a formal training period developed to ensure a ready cadre of experienced personnel capable of assuming projected future managerial positions. In addition to the formal training program in the supply discipline, program participants are given extensive field experience through TDY assignments to active overseas locations. [redacted] 25X1

In an effort to improve employee morale, productivity, and quality of work life, OL began a pilot Quality Circle Program in the printing and photography area in 1983. A final evalution on the pilot program is due in early 1984. If successful, as a preliminary evaluation indicates that it is, the program will be extended to other areas within OL.

D. Printing and Photography

As in past years, OL continued to support Agency printing and photographic production requirements. Although most support is internal, OL has provided notable support to the Department of State, the Department of Justice, the National Security Agency, and other executive agencies. However, support to finished intelligence production requirements continues to require the largest portion of our printing and photographic resources. To provide enhanced support to finished intelligence production requirements, OL has contracted for a major expansion

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hardware/software upgrade to its Electronic Text Editing and Composition System. Additionally, efforts have begun for establishing an Agencywide Automated Publishing Network to create and merge both graphic and textual material, and to digitally transmit same to a laser printing platemaker. OL has already acquired a laser platemaker and two laser photographic scanners and has sent a request for proposal to prospective vendors for an automated page makeup system. The proposed system will be electronically connected to users through the Agency's IBM/VM computer system. During 1983, OL also acquired a 50-inch two-color printing press, to be used primarily to print large color maps and briefing aids; enhanced/upgraded its computer graphics system; and acquired a color camera/processor for providing rapid response to color photographic requests.

In addition to specific production equipment enhancements, OL has reached an agreement with the Foreign Broadcast Information Service (FBIS) for the takeover of their Joint Publication Research Service (JPRS) printing/production responsibilities. This action will consolidate a small Agency printing operation into the OL printing operation and provide for more effective personnel, equipment, and space utilization.

E. Field Renovation and Construction

The continuing high level of operational support required for covert and paramilitary actions has placed ever-increasing demands on [redacted] To meet these requirements, OL has undertaken programs to upgrade and rehabilitate the physical plants of these installations. At [redacted] the upgrade has included the complete renovation of the Administration Headquarters building, renovation of existing quarters and construction of new quarters, upgrade of sewer and telephone lines, renovation of storage areas and installation of security devices, and upgrade of communications facilities. Upgrade at [redacted] includes an extensive repaving project, upgrade of employee eating and recreation areas, and reconfiguration of work space, as well as planning for construction of a new 150,000-square-foot annex on the [redacted] compound.

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F. Automation

During the past year, the procurement areas in OL were again faced with a dramatic increase in workload. There has been a virtual explosion of ADP contracting, both in dollar volume and in number of funded actions. As a result of a systems-analysis study of OL's Procurement Division in 1982, a decision was made to replace CPT and other outdated word processing equipment with two Wang Alliance systems. Installation of the Wang systems, started in the spring of 1983, was over 90 percent complete by fall 1983. Although we experienced considerable growing pains in the transition to this new automated equipment, it is now clear that this investment in automation will provide much-needed relief until the Logistics Integrated Management System (LIMS) comes on-line.

A major OL initiative is the creation of LIMS--an automated system that will efficiently serve OL's support mission of acquiring materiel and services for the entire Agency. The LIMS accomplishments during 1983 include: preparation of a request for proposal, review of competitive bids, and the selection of a development contractor for this multimillion-dollar effort; review of all Logistics Instructions (LIs) and Supply Instructions (SIs) and their incorporation into LIMS requirements as appropriate; numerous reviews and refinements leading to the completion of a Detailed System Requirements Document (DSRD); a formal review of system requirements--conducted by the development contractor; and the beginning of work on the System Definition Document (SDD). The development of LIMS has now passed from the system initiation phase to the definition phase during which the contractor will develop the preliminary design for the new system. The LIMS project is progressing smoothly, and all indications are that LIMS will be successful in meeting the OL-stated objective of being more responsive to its customers' needs.

In addition to its active participation in the LIMS development project, OL has established a Data Administration Service (DAS) organization. The mission of the DAS will be to bring the increasing plethora of OL automated data processing (ADP) applications within a formal organizational entity that exploits computer technologies and capabilities on behalf of OL information management requirements, invokes quality assurance practices and principles, provides appropriate and timely training, and ensures the availability of ODP-furnished technical support. In addition, the DAS function will assist in the LIMS development and facilitate its implementation. DAS will also provide a specialized career track for those OL personnel inclined towards the ADP discipline. The DAS concept was successfully developed and accepted during 1983.

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II. Performance Highlights

Some of OL's significant achievements in 1983 are enumerated below:

- The Prompt Pay Act of 1982, PL 97-177, required significant changes in CIA contracting and payment procedures during the past fiscal year. During FY 1983, the procedures established noted sharp improvement in CIA management of payments to contractors.

- Increased levels of foreign investment in domestic corporations continues to be a problem for the CIA. In FY 1982, a policy was established that only domestic-source automatic data processing equipment would be procured. During FY 1983, CIA expanded this policy to include all contractors providing supplies and services to the Agency. A panel has been established which attempts to evaluate whether foreign ownership, control, or influence exists in a CIA contractor to an extent that Agency interests could be compromised. If such a situation exists, then the Agency will not contract with the contractor, except in the most critical situation.

- A major procurement of IBM hardware associated with the SAFE-CAMS and [redacted] Center programs was completed in 1983. This procurement was of particular significance in that it was a breakthrough in requiring IBM to accept an Alternate Payment Plan which we estimate will result in savings of about $4 million in the procurement of this equipment. Other major actions on the ADP front include the procurement of over $15 million of Wang equipment in support of CRAFT and other Headquarters requirements and the award of a major system development contract for LIMS. 25X1

- OL provided the TDY assistance of numerous personnel who expended many man-days in support of Agency components. These services were provided both in CONUS and overseas in direct support of ongoing operations; receipt, inspection, and certification of ordnance materiel; inspection and inventory teams; assistance in training courses; development of new capabilities for covert support; and project design and engineering support. In addition, [redacted] personnel worked many hours of overtime in the receipt, issue, packaging, and transportation of materiel in support of operations. 25X1 25X1

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- [redacted]

- Relative to the acquisition and occupation of the [redacted] and new facilities in the Rosslyn and [redacted] the overall demand for supply room equipment, administrative supplies, classified trash collection, shuttle service, and mail and courier services increased in 1983. OL met these requirements with no increase in personnel.

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- An automated system was developed to track stock levels, requisitions, and back orders for expendable supplies in Agency building supply rooms.

- The feasibility of installing automated gas pumps at the Motor Pool Garage was investigated and found to be cost effective, and a decision was made to proceed with the project.

- Procedures were developed and implemented at [redacted] to receive, assemble, and deliver furniture and furnishings to Agency buildings in the metropolitan area. This eliminated a two-step function wherein furniture would be delivered one day and assembled and placed in offices at a later date.

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- The [redacted] was leased, design drawings prepared, and renovations completed. Construction was also completed for the [redacted]

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- [redacted]

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- Extensive project engineering support was provided to [redacted] Headquarters building expansion, purchase and installation of mobile housing, and completed design for upgrading existing housing at [redacted] completed construction of [redacted]

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facility at [redacted] completed design and started construction for runway upgrade, and completed erosion control conceptual design study for [redacted] and completed design, and received construction bids for construction at [redacted] 25X1 25X1 25X1

- GSA completed facilities upgrading designs, to conduct competitive bidding, and to award a contract for construction modifications to 2430 E Street buildings.

- Design was completed for a building-wide Secure Voice Telephone System in Chamber of Commerce Building and 2430 E Street and awarded installation/construction contracts.

- Construction continued on a six-story addition to [redacted] Major structural problems were resolved and, construction completion dates were changed from January 1984 through October 1984 to March 1984 through October 1984. Structure and outer envelope are essentially complete. 25X1 25X1

- In the printing and photography area, the number of jobs processed increased by six percent and five percent respectively over the 1982 figures. These additional customer requests accounted for some significant increases in production. For example, printing impression production increased two percent or 400,000 impressions; document copying increased 22 percent or 4.1 million pages; color photographic print production increased 21 percent or 52,000 prints; and computer graphics 35 mm slide production increased by 29 percent or 1,900 slides. As in the past, support to the DDI continued to require a large portion of OL printing and photographic resources. Some specific performance achievements follow:

  State Department Support - P&PD continues to support the State Department litigation against Canada before the International Court of Justice by producing the Gulf of Maine Counter-Memorial. The Counter-Memorial consisted of seven volumes totaling approximately 1,500 pages of text, 200 tabs, and 150 multicolor maps and graphics. Also produced were 500 perfect-bound and 50 case-bound copies of each volume.

  Congressional Budget Justification Books (CBJBs) - 1983 was the fifth year that P&PD produced the Intelligence Community's CBJBs. This year's volumes and annexes totaled 3,200 pages, a 12 percent increase over last year. A total of 1,700 volumes were produced.

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Increased DDI Production Support - P&PD responded to a 33 percent increase in intelligence production in 1983. The 1982 increase of 25 percent was largely due to increased National Intelligence Estimate (NIE) activities. However, the 1983 increase is the result of overall increased intelligence production, especially in the area of multicolor maps, charts, and graphics.

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Increased DDO Production Support - P&PD responded to a 60 percent increase in production (resource hours used) in 1983 compared to 1982. Approximately half of this increase was due to a larger number of unusual and more complex items (i.e., hard binding, difficult sizes, special papers, and color separations) while the other half was due to increased volume of production requested.

Computer Graphics Support - P&PD's Design and Presentation Center color slide production increased to 6,864 in 1983 compared to 4,920 produced in 1982. Additionally, 3,477 slides were produced for users of the Agency Disspla/Tellagraf graphics software system.

Color Photography Production Increase - The production of color photography items (prints, slides, etc.) continues to increase. There was a 21 percent increase in 1983 compared to 1982. For the past two years (1982-83), there has been an overall color photography production increase of 43 percent.

III. Long-Term Funding to Achieve Orderly and Balanced Growth

Since OL is a service organization, growth and capabilities in OL are keyed to the requirements of its customers. Because significant growth is planned by the Agency, growth is also projected in all OL components to enable OL to remain responsive. To support all planned Agency initiatives, a significant increase in funds for capital improvement and the acquisition of new automated systems will be needed.

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Whereas funding has been adequate for this year and appears to be so in FY 1984, it is likely to become less than adequate in succeeding years as, by virtue of its projected useful life expectancy, significant replacement of high-dollar-value equipment will be required. If OL is to continue to be responsive, funds must be available both to replace this equipment and to support projected OL growth requirements. Current projections in these areas include a major automation project underway in OL (LIMS), the continued upgrade and operation of [redacted] an increase in Standard Level User Charges, maintenance and operation of the power plant, supplemental support for Agency activities, other logistical services and support, direct leasing of space, and new equipment acquisitions for improved service capability. OL's resource projections in the Congressional budget submission are as follows: 25X1 25X1

[redacted]

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MEMORANDUM FOR: Director of Communications
Director of Data Processing
Director of Finance
Director of Information Services
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training and Education
Special Support Assistant to the DDA
Chief, Career Management Staff, DDA
Chief, Safety Staff, DDA
Equal Employment Opportunity Officer, DDA
Management Staff, DDA

FROM: Harry E. Fitzwater
Deputy Director for Administration

SUBJECT: DCI's Annual Report to Congress

1. As in past years, we have been asked to contribute to the DCI's Annual Report to Congress. Beyond the specific requirements for this report, I consider our submission to be an excellent opportunity to provide senior Agency management with our perceptions of our performance, problems, and resource needs.

2. It is requested that each of you submit your contribution to us by COB 9 December so that we can incorporate these submissions in a directorate-wide response. This year your contribution should cover the following points: accomplishments in rebuilding our capabilities, the status of ongoing capability enhancements, the continued need for long-term funding to achieve orderly and balanced growth, and performance highlights. The reporting period is CY 1983.

3. Forwarded herewith for your guidance is a copy of the directorate report submitted in 1982 and the DCI's memo to NFIB Program Managers.

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4. If you have any questions or require additional information, please contact [redacted] Executive Officer, DDA, on extension [redacted] (black) or [redacted] (secure).

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Harry E. Fitzwater

Attachments

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This document is UNCLASSIFIED when separated from attachment.

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